



MEMORANDUM

To: Mike Friedlander, Bureau of Air Management, WDNR

From: Gina Hansen, Executive Director, NAIOP Wisconsin

Date: November 1, 2006

Re: comments on vehicle trip reduction proposal

I am writing on behalf of the Wisconsin Chapter of the National Association of Industrial and Office Properties (NAIOP). NAIOP is the nation's leading trade association dedicated to representing the interests of developers, owners, investors and asset managers in industrial, office and related commercial real estate. Founded in 1967, NAIOP has more than 13,000 members in 52 chapters throughout the United States and Canada. The Wisconsin Chapter, which was chartered in October, 2003 has just over 130 members from over 60 companies and organizations.

NAIOP is deeply concerned about the Vehicle Trip Reduction (VTR) proposal put forward by the Wisconsin Department of Natural Resources (WDNR) Bureau of Air Management on October 3, 2006. Our concerns are outlined below. If NAIOP can provide any further information, please do not hesitate to contact me at 262-522-6375 or via e-mail at ghansen@mbaonline.org.

NAIOP does not believe that the proposal will achieve lower rates of single-occupant vehicle transportation in order to reduce congestion. There are three main reasons for this:

- 1) **Wisconsin has invested billions of dollars in our current transportation system.** Wisconsin's transportation system supports a strong business climate and adapts well to society's preference for vehicular travel.
- 2) **The state and local governments have not adopted policies which would encourage greater density in development.** Many communities around Wisconsin have land-use regulations which encourage lower density development, making mass transit, ride-sharing and vanpooling unrealistic and undesirable.
- 3) **Transportation infrastructure decisions are made decades in advance.** Most communities have completed their 2010 land use planning. Some areas, such as the counties that feed into the Southeastern Wisconsin Regional Planning Commission (SEWRPC) have started to do land use planning for 2035. Transportation infrastructure decisions for most of the state have already been laid out.

A vehicle trip reduction policy that focuses on employers and developers without taking into account the billions of dollars invested in the state's transportation infrastructure, low density development policies and land use planning decisions is a band-aid approach that will be ineffective at best, and more likely will be harmful to Wisconsin's ability to compete regionally, nationally and internationally for business.

A VTR requirement would stifle economic development. Wisconsin cannot be competitive in attracting and retaining businesses, and the jobs they create, if the state continues to impose barriers to economic development. A VTR program would impose direct and indirect additional costs. Most of the measures recommended in the proposal such as subsidies for transit fares, vans for vanpooling, showers, parking incentives, on-site day care, emergency taxi services and changes to office technology infrastructure to allow at-home access to work servers are costly, which reduces the feasibility of a development project. Such a proposal puts Wisconsin at a competitive disadvantage. This is not the direction the state should be headed in order to foster economic development.

The proposal is one-size-fits all approach to reducing single-occupant vehicle trips. The proposal does not take into account the various practices of different types of business. For example, for a mall it would be impractical and ineffective to try to adopt most of the measures laid out for reducing trips. Malls are made up of smaller retail establishments which have one to five employees working at any one time (except for anchor tenants). Retail employees work on shifts. Furthermore, the employees do not necessarily live near each other. Ride sharing, carpooling, vanpooling, compressed work schedules and working from home options would not be feasible for practical for these businesses.

The VTR program would require developers to micro-manage a business for which the developer is merely the landlord. Under the proposal, the developer would be responsible for designing a VTR program that would apply to the employees who occupy developed space once it is completed, regardless of whether the developer maintains ownership of the real estate. In cases where the developer develops office, industrial or retail space that is ultimately sold to the occupying business, the developer would have no way of maintaining any oversight over whether the building's new owners have implemented, or are complying with, the VTR program. Furthermore, this would be an unsuitable role for a developer.

In cases where the developer leases office, industrial or retail space, the developer has no input into the business operations of a tenant. Some of the vehicle trip reduction measures outlined in the proposal are benefits that employers offer in order to attract and retain employees, such as on-site day care facilities, flexible work schedules and the ability for employees to work from home. These decisions should remain the sole responsibility of the business's management. It is bad policy to obligate developers to insert themselves into the employer-employee relationship, and the operational management of their tenants.

The VTR would impose requirements on developers that do not adapt to the timetables of a construction project. Under the proposal, developers would be responsible for reducing the number of trips of the contractors and subcontractors at a construction site. However, many of the measures outlined for vehicle trip reduction would not adapt to the timetables of a construction project. Hundreds, or even thousands, of contractors and subcontractors from dozens of different companies can work on a construction project. These contractors and subcontractors are all needed at different times, and sometimes multiple times, on a project. For example, a plumbing subcontractor may be on a construction site for two days and then not be needed again on the site for another six months. Furthermore, contractors and subcontractors can come from all over a metropolitan area, or even travel regionally for a project. Coordinating the travel of these workers in order to reduce the number of single occupant vehicle trips would be a nearly impossible task.

The VTR program would impose VTR education requirements that are unnecessary. The proposal would require the regular distribution of information on alternatives to single-occupant vehicle transportation. NAIOP would argue that employees are aware of alternatives to single-occupant vehicle transportation. Single-occupant vehicle transportation is the preferred method of transportation for many employees because it is convenient, flexible, and adapts well to modern schedules and demands.